



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

| APPLICATION NO.   | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO.           | CONFIRMATION NO.       |
|---|-------------|----------------------|-------------------------------|------------------------|
| 09/943,905  | 08/31/2001  | Simon McGuire        | 6311-51                       | 2082                   |
| 21890   | 7590        | 05/31/2007           |                               |                        |
| PROSKAUER ROSE LLP<br>PATENT DEPARTMENT<br>1585 BROADWAY<br>NEW YORK, NY 10036-8299 |             |                      | EXAMINER<br>GRAHAM, CLEMENT B |                        |
|   |             |                      | ART UNIT<br>3692              | PAPER NUMBER           |
|   |             |                      | MAIL DATE<br>05/31/2007       | DELIVERY MODE<br>PAPER |

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

|                              |                                      |                                       |  |
|------------------------------|--------------------------------------|---------------------------------------|--|
| <b>Office Action Summary</b> | <b>Application No.</b><br>09/943,905 | <b>Applicant(s)</b><br>MCGUIRE, SIMON |  |
|                              | <b>Examiner</b><br>Clement B. Graham | <b>Art Unit</b><br>3692               |  |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 02 March 2007.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### DETAILED ACTION

1. Claims 1-21, remained pending.

#### Claim Rejections - 35 USC § 102

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

3. Claims 1-21, are rejected under 35 U.S.C. 102(e) as being anticipated by Gulati U.S Patent 6, 778, 968.

As per claim 1, Gulati discloses a computer system (100) for managing a financial transaction between an issuer of a note and an investor buying the note, wherein the note is exchanged into one or more exchange traded items of the issuer's portfolio, comprising:

an index database for storing data relating to a specific time varying benchmark index;  
an item database for storing data relating to the one or more exchange traded items to be exchanged;

a calculating unit for calculating an exchange ratio between the note and at least one exchange traded item of the portfolio based on at least a current level of the benchmark index and a current price of the at least one exchange traded item; and a transaction unit for delivering at least one exchange traded item in accordance with the calculated exchange ratio to the investor upon an exchange request of either the issuer or the investor or upon maturity of the note.(see column 6 lines 8-67 and column 7 lines 1-67and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 2, Gulati discloses further comprising an index interface for receiving the current level of the benchmark index. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 3, Gulati discloses further comprising a price interface for receiving the current price of the at least one exchange traded item which is to be delivered. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 4, Gulati discloses wherein the calculating unit calculates the exchange ratio ( $r$ ) according to wherein  $I$  is the current level of the benchmark index,  $x$  is a discount factor and  $S$  is the current price of the exchange traded item. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 5, Gulati discloses further comprising an averaging unit (200) for averaging the exchange ratio. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 6, Gulati discloses further comprising a first timing unit (210) in communication with the averaging unit (200), the first timing unit (210) controlling the averaging unit (200) such that the exchange ratio is averaged over a predetermined period of time. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 7, Gulati discloses further comprising an input terminal (130) allowing to input the exchange request. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 8, Gulati discloses further comprising a selection unit (190) for automatically selecting the one or more of the exchange traded items of the issuer's portfolio which are to be delivered to the investor and based on which the exchange ratio is calculated. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 9, Gulati discloses comprising an output unit (140) for notifying the investor of which exchange traded item to be delivered. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 10, Gulati discloses further comprising a second timing unit (220) in communication with the transaction unit (150), the second timing unit (220) controlling the transaction unit (150) such that the at least one exchange traded item is automatically delivered a predetermined period of time after receipt of the exchange request, after maturity or after notification of the investor. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 11, Gulati discloses further comprising a coupon database (230) for storing data relating to at least one coupon date and a monitoring unit (240) for monitoring the at least one coupon date and is for delivering a coupon to investor at each coupon date. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 12, Gulati discloses a method for managing a financial transaction between an issuer of a note and an investor buying the note, wherein the note is exchanged into one or more exchange traded items of the issuer's portfolio, comprising the steps of  
defining a specific time varying benchmark index and storing data relating to the benchmark index;  
defining a portfolio of exchange traded items and storing data relating to the one or more exchange traded items to be exchanged;  
calculating an exchange ratio between the note and at least one exchange traded item of the portfolio based on at least a current level of the benchmark index and a current price of the at least one exchange traded item; and  
delivering at least one exchange traded item to the investor in accordance with the calculated exchange ratio upon an exchange request of either the issuer or the investor or upon maturity of the note. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 13, Gulati discloses wherein the exchange ratio ( $r$ ) is calculated according to wherein  $I$  is the current level of the benchmark index,  $x$  is a discount factor and  $S$  is the current price of the exchange traded item. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 14, Gulati discloses further comprising averaging the exchange ratio over a predetermined period of time and delivering the exchange traded item in accordance with the averaged exchange ratio. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 15, Gulati discloses further comprising automatically selecting the one or more of the exchange traded items of the issuer's portfolio which are to be delivered and based on which the exchange ratio is calculated. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 16, Gulati discloses wherein the selection is made in a close timely relationship with the exchange request or with maturity. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 17, Gulati discloses further comprising automatically notifying the investor of the exchange traded item of the issuer's portfolio to be delivered. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 18, Gulati discloses wherein the at least one exchange traded item is automatically delivered a predetermined period of time after receipt of the exchange request, after maturity or after notification of the investor. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 19, Gulati discloses further comprising defining at least one coupon date, storing the at least one coupon date, automatically monitoring the at least one coupon date and delivering a coupon to investor at each coupon date. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 20, Gulati discloses a computer program with program code means for performing the steps according to one of claims 12 to 19 when the program is

executed on a computer. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

As per claim 21, Gulati discloses stored on a computer-readable recording medium. (see column 6 lines 8-67 and column 7 lines 1-67 and column 8 lines 1-24 and column 10-39 lines 1-67).

### **Conclusion**

### **RESPONSE TO ARGUMENTS**

4. Applicant's arguments filed 2/13/2007 has been fully considered but they are not persuasive for the following reasons.

5. In response to Applicant's arguments that Gulati fail to teach or suggest "calculating an exchange ratio between the note and at least one exchange traded item of the portfolio based on the current level of the benchmark index and a current price of the at least one exchange traded item" the examiner disagrees with Applicant's because these limitations were addressed as stated, Another feature of the exemplary embodiment provides a time-value for the SA.sup.X sub-exchange auction listing services. SA.sup.X sub-exchange subscribers may either pay a flat commission as a percentage of the transaction value to list a portfolio or request, or the subscriber may be charged fees using an aging based commission, whereby the SA.sup.X sub-exchange subscriber pays no commission if no bid or lock is received within a number of days denoted by "X" (say 30 days). All commissions are waived after that period. Conversely, commission is higher if the bid/lock is received on the first days. The formula used to calculate the aging discounted commission then is (see column 32 lines 24-40).

It is inherently clear to the examiner that Applicant's claimed limitations were addressed with teachings of Gulati because a percentage of the transaction value to list a portfolio was calculated and commission. (Note ratio calculations see column 32 line 40).

Further Applicant's claims 1, 12, states calculating an exchange ratio between the note and at least one exchange traded item of the portfolio based on the current level of the benchmark index and a current price of the at least one exchange traded item"

However it is unclear how one can calculate an exchange ratio between the note and at least one exchange traded item of the portfolio based on at least a current level of the benchmark index when the note is not define as a value and the current level is not defined in the specification.

6. Applicant's claim 1, states "a index database for storing data and an item database for storing data and a calculating unit for calculating an exchange and a transaction unit for delivering and calculated exchange ratio to the investor upon an exchange" and claim 12, states "delivering at least one exchange traded item to the investor in accordance with the calculated exchange ratio upon an exchange request". However the subject matter of a properly construed claim is defined by the terms that limit its scope. It is this subject matter that must be examined. As a general matter, the grammar and intended meaning of terms used in a claim will dictate whether the language limits the claim scope. Language that suggests or makes optional but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation. The following are examples of language that may raise a question as to the limiting effect of the language in a claim:

- (A) statements of intended use or field of use,
- (B) "adapted to" or "adapted for" clauses,
- (C) "wherein" clauses, or
- (D) "whereby" clauses.

This list of examples is not intended to be exhaustive. See also MPEP § 2111.04.

\*\*>USPTO personnel are to give claims their broadest reasonable interpretation in light of the supporting disclosure. In re Morris, 127 F.3d 1048, 1054-55, 44 USPQ2d 1023, 1027-28 (Fed. Cir. 1997). Limitations appearing in the specification but not recited in the claim should not be read into the claim. E-Pass Techs., Inc. v. 3Com Corp., 343 F.3d 1364, 1369, 67 USPQ2d 1947, 1950 (Fed. Cir. 2003) (claims must be interpreted "in view of the specification" without importing limitations from the specification into the claims unnecessarily). In re Prater, 415 F.2d 1393, 1404-05, 162 USPQ 541, 550-551 (CCPA 1969). See also In re Zletz, 893 F.2d 319, 321-22, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989) ("During patent examination the pending claims must be



Art Unit: 3692

interpreted as broadly as their terms reasonably allow.... The reason is simply that during patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed.... An essential purpose of patent examination is to fashion claims that are precise, clear, correct, and unambiguous.

Only in this way can uncertainties of claim scope be removed, as much as possible, during the administrative process.”.<

Where an explicit definition is provided by the applicant for a term, that definition will control interpretation of the term as it is used in the claim. *Toro Co. v. White Consolidated Industries Inc.*, 199 F.3d 1295, 1301, 53 USPQ2d 1065, 1069 (Fed. Cir. 1999) (meaning of words used in a claim is not construed in a “lexicographic vacuum, but in the context of the specification and drawings.”). Any special meaning assigned to a term “must be sufficiently clear in the specification that any departure from common usage would be so understood by a person of experience in the field of the invention.” *Multiform Desiccants Inc. v. Medzam Ltd.*, 133 F.3d 1473, 1477, 45 USPQ2d 1429, 1432 (Fed. Cir. 1998). See also MPEP § 2111.01.

7. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 571-272-6795. The examiner can normally be reached on 7am to 5pm.


Art Unit: 3692

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on 571-272-6777. The fax phone numbers for the organization where this application or proceeding is assigned are 571-273-8300 for regular communications and 703-305-0040 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

CG

May 15, 2007

  
FRANTZY POINVIL  
PRIMARY EXAMINER  
*Au 3692*